THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C.M. IBRAHIM) : (a) Yes, Sir.

(b) to (d) A multi-disciplinary marketing cell has been set up to explore the possibilities of taking up third party jobs of maintenance and overhaul of air-frames, engines, etc. of domestic as well as international airlines.

Import of Fuel

*371. DR. T. SUBBARAMI REDDY :
SHRI YELLAIAH NANDI :

Will the Minister of CIVIL AVIATION be pleased to state :

(a) whether Air India and Indian Airlines have been importing fuel;

(b) if so, the details thereof and the reasons therefor;

(c) the countries from where the fuel is being imported by the above airlines;

(d) whether the cost of imported fuel is less in comparison to its cost in the country;

(e) if so, the details thereof and estimated savings of AI and IA in importing the fuel;

(f) the steps taken to reduce fuel prices in the country;

(g) whether the directives of the Government regarding Station-wise fuel quota, prices and actual lifting are being complied with by Air India; and

(h) if not, the reasons therefor?

THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C.M. IBRAHIM) : (a) to (f) In 1995, Indian Airlines imported 32,600 kilolitres of Aviation Turbine Fuel (ATF) through Indian Oil Corporation under Special Import Licence (SIL). The Company saved Rs. 17 crores due to price differential between the imported and domestic fuel. Subsequently due to imposition of surcharge and levying of customs duty on such imports, Indian Airlines discontinued the import of ATF. Air India does not import ATF but uplifts it from online stations wherever necessary.

The fuel prices in India are about 51% higher than the average fuel prices in the international market.

(g) and (h) No such directives have been issued by the Government.

Revision of Royalty Rates of Mineral

*372. SHRI CHANDUBHAI DESHMUKH : Will the Minister of MINES be pleased to state :

(a) whether the Government propose to set up a statutory body to revise the Royalty rates of minerals;

(b) if so, the details thereof;

(c) whether a decision was taken to revise the royalty rate of minerals in every three years;

(d) if so, the reasons for not revising the royalty rate of Lignite since 1990;

(e) whether the Government of Gujarat has represented to streamline the existing system of fixing the royalty rates of minerals departmentaly; and

(f) if so, the details thereof?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA) : (a) to (f) As per the provisions of Section 9 of the Mines and Minerals (Regulation & Development) Act, 1957 the Central Government may by notification in official Gazette, amend the Second Schedule to the Act, so as to enhance or reduce the rates at which royalty shall be payable in respect of major minerals with effect from such date as may be specified in the notification, but no enhancement in the rates of royalty in respect of such minerals can be made more than once during any period of three years.

The Central Government constituted a Study Group on 30.1.95 for carrying out detailed review of rates of royalty and dead rent applicable to major minerals (other than coal lignite and sand for stowing). The Study Group had members from some of the important mineral producing States including Gujarat. The Study Group also had consultation with the State Governments and the mining industry and considered the question of revision of rates of Royalty on major minerals and dead rent in all its aspects within the scope of its term of reference before submitting its report to the Government. The Study Group submitted its report in November, 1995. The report of the Study Group has been examined and the revision of rates is under consideration of the Government.

As regards lignite, action for review of royalty on lignite has been initiated by the Ministry of Coal.

[Translation]

Permission to Foreign Companies to Advertise their Products

*373. SHRI RAMESHWAR PATIDAR :
SHRIMATI SHEELA GAUTAM :

Will the Minister of INFORMATION AND BROADCASTING be pleased to state :

(a) whether the Government have agreed to permit foreign companies to advertise their products on all channels of Doordarshan;

(b) if so, the details thereof and terms and conditions therefor;

(c) the estimated foreign exchange likely to be earned each year as a result thereof; and

(d) the extent to which it is likely to meet the demand of foreign exchange which goes out of country as a result of advertisement given by the Indian manufacturers for their products on Star TV Channels after implementation of the above scheme?

THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C.M. IBRAHIM) : (a) Yes, Sir. It has been allowed w.e.f. March, 1994.

(b) The telecast of advertisements including that of foreign products on Doordarshan is governed by the Code for Commercial Advertisements on Doordarshan. The telecast fee is charged on the basis of Commercial Rate Card which is updated from time to time.

(c) Payments are received in Indian Rupee only.

(d) Does not arise.

Implementation of Recommendations of Kelkar Committee

*374. SHRI SATYA DEO SINGH :
SHRI SULTAN SALAHUDDIN OWAISI :

Will the Minister of CIVIL AVIATION be pleased to state :

(a) whether the Government have examined the recommendations of the Kelkar Committee;

(b) if so, the details of the recommendations alongwith the decision taken by the Government on each of the recommendations, with particular reference to the recommendation regarding fleet planning for Indian Airlines; and

(c) if not, the time by which a final decision is likely to be taken by the Government for implementation of the recommendations?

THE MINISTER OF CIVIL AVIATION AND MINISTER OF INFORMATION AND BROADCASTING (SHRI C.M. IBRAHIM) : (a) Yes, Sir.

(b) and (c) The Kelkar Committee was set up to make a comprehensive examination of the reasons for losses of Indian Airlines and to formulate a turn around strategy.

The Committee after examination, concluded that Indian Airlines, which was a profitable organisation till 1988-89 started incurring losses for reasons beyond its control, the three main reasons being the grounding of the A-320 fleet for a prolonged period, the merger of Vayudoot with Indian Airlines and its operations in uneconomic sectors over prescribed limits.

It was in this context that the Committee recommended a turn around strategy. The important recommendations of the Kelkar Committee relate to :-

(i) Financial restructuring, which includes capital injection of Rs. 922 crores in the form of compensation, subordinated loan, equity, and contribution by Indian Airlines and its employees.

(ii) Fleet Planning.

(iii) Route Rationalisation.

(iv) Organisational Restructuring.

(v) Human Resource Management.

The Kelkar Committee has recommended that the capital injection would start giving returns to Government on its contribution from the year 1999-2000. It has concluded that the turn-around package should be considered and adopted early and in totality.

As this turn-around strategy involves a large amount of financial contribution, the matter has been taken up with the Ministry of Finance and Planning Commission to expedite implementation.

[English]

Import of Steel

*375. SHRI T. GOPAL KRISHNA :
SHRI NITISH BHARDWAJ :

Will the Minister of STEEL be pleased to state :

(a) the quantity of Steel imported during each of the last two years and current financial year, so far; country-wise;

(b) the sector in which the imported Steel is being used;

(c) details of domestic production of Steel at present; and

(d) the steps taken or proposed to be taken by the Government to stop the import of Steel?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA) : (a) The quantity of Steel imported during each of the last two years and current financial year (April-August, 1997), country-wise is given in the enclosed statement.

(b) Sectors for which the Steel is being imported include Cold Rolling Units, Auto/Cycle industry, Container industry, Galvanising units, Engineering industry, Electrical industry, Re-rolling industry, Heavy Industry, etc.

(c) The total production of finished Steel during current year upto February, 1997 is estimated to be 20.4 million tonnes comprising about 10.2 million tonnes each of flat and non-flat products.

(d) As per the existing policy, import of Steel is freely allowed. The producers of Steel are constantly orienting their production to meet the market needs. Modernisation and expansion of Steel plants of SAIL has been taken up towards this objective. Since 1991, Government has also adopted various policy measures